GOVERNMENT OF ANDHRA PRADESH <u>ABSTRACT</u>

Industries & Commerce Department - New Coal Distribution Policy - Andhra Pradesh Mineral Development Corporation Limited - Appointed as Nodal Agency for 5 years - Continuation with activity - Orders - Issued.

INDUSTRIES & COMMERCE (MSME) DEPARTMENT

G.O.Rt.No. 332.

<u>Dated:21.05.2013.</u> Read the following:-

- 1. G.O.RT.No.408, Ind. & Com. (MSME) Dept., dt:26.3.2012.
- 2. From the Chief General Manager (S&M) (O), Coal India Limited, (Marketing Division), Kolkata, Lr.No.CIL/CMO/SO/47252/220, dt:5.4.2012.
- 3. From the Vice Chairman & Managing Director, Andhra Pradesh Mineral Development Corporation Limited, Hyderabad, Lr.No.APMDC/GM/Mining/38/Coal/2013-14/170, dt.18-4-2013.

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ORDER:

In the reference 1st read above, the Andhra Pradesh Mineral Development Corporation Limited is appointed as Nodal Agency for supply and distribution of Coal to the Consumers of Micro Small Medium Enterprises sector for the Coal quantity received from Mahanadi Coal Field Limited allocated by the Coal India Limited for Andhra Pradesh State for 5 years from 2012-13 to 2017-18

- 2) In the reference 2nd read above, the General Manager (S&M), Coal India Limited has informed that the Coal India Limited has allocated a total quantity of 0.50 lakh tones of Coal to M/s.Andhra Pradesh Mineral Development Corporation Limited for the year 2012-13 from MCL for distribution of Coal to Small and Medium sector consumers in Sate of Andhra Pradesh. As per the provisions of NCDP, coal was to be supplied only under Fuel Supply Agreement (FSA) and further stated that under NCDP, it has been stipulated that the quantity to be allocated for next year to the state agency may be reviewed on the basis of their performance in the beginning of every year. It is also stipulated that the distribution mechanism to be developed by nominated agencies is in line with the direction issued from our end and also ensure public confidence and transparency in the matter of distribution of coal by them. Keeping the above views he has requested to intimate the name of state agency/agencies in who favour coal is to be allocated to such agency/agencies for 2013-14 so as to enable CI to ensure supply of coal to Andhra Pradesh.
- 3) In the reference 4th read above, the Vice Chairman & Managing Director, Andhra Pradesh Mineral Development Corporation Limited has informed that the board in APMDC decided that the Corporation shall not take up the risky activity prone to speculative operations and not to act as a permanent nodal agency for distribution of coal of Coal India Limited to the consumers of MSME Sector. Hence the FSA may not be renewed for the next financial year 2013-14. The Board authorized the Vice Chairman & Managing Director, Andhra Pradesh Mineral Development Corporation Limited, to request Coal India Limited for refund of Security Deposit of Rs.35,83,334/- submitted to them in the form of Bank Guarantee.
- 4) In view of the circumstances, and after careful examination, Government hereby direct the Andhra Pradesh Mineral Development Corporation Limited, to continue as Nodal agency for supply and distribution of coal to the consumers of Micro Small Medium Enterprises sector for the quantity allocated by Coal India Limited for Andhra Pradesh State by taking the required precautions to avoid the risks.

5) The Managing Director, Andhra Pradesh Mineral Development Corporation Limited, Hyderabad and Commissioner of Industries, Andhra Pradesh Hyderabad shall take necessary further action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SABYASACHI GHOSH SECRETARY TO GOVERNMENT (FP)

To

The Vice Chairman & Managing Director, Andhra Pradesh Mineral Development Corporation Limited, Hyderabad

The Commissioner of Industries, Andhra Pradesh, Hyderabad.

The Secretary, Government of India, Ministry of Coal, Shastri Bhawan, New Delhi - 110 001.

The Chief General Manager, Coal India Limited (Marketing Division), Apeejay House, B-Block, 6th Floor, 15, Park Street, Kolkata-700 016.

OSD to Hon'ble Minister (H&T, SM, SSI, KVIB)

P.S. to Secretary to Government (FP), Industries & Commerce Department.

Industries & Commerce (Mines-I) Department.

Industries & Commerce (IP) Department.

SF/SC

//FORWARDED:: BY ORDER//

SECTION OFFICER.